



PROSPECTUS AND PRIVACY POLICY

EQUITY INDEX FUND

INSTITUTIONAL SHARES

MAY 1, 2009

Questions?

Call 1-800-228-1872
or your investment representative.

Not Part of the Prospectus

BB&T Funds

Notice of Privacy Policy & Practices

BB&T Funds recognizes and respects the privacy expectations of our customers.¹ We provide this notice to you so that you will know what kinds of information we collect about our customers and the circumstances in which that information may be disclosed to third parties who are not affiliated with the BB&T Funds.

Collection of Customer Information

We collect nonpublic personal information about our customers from the following sources:

- *Account Applications and other forms*, which may include a customer's name, address, social security number, and information about a customer's investment goals and risk tolerance;
- *Account History*, including information about the transactions and balances in a customer's accounts; and
- *Correspondence*, written, telephonic or electronic between a customer and the BB&T Funds or service providers to the BB&T Funds.

Disclosure of Customer Information

We may disclose all of the consumer information outlined above to third parties who are not affiliated with the BB&T Funds:

- as permitted by law – for example with service providers who maintain or service shareholder accounts for the BB&T Funds or to a shareholder's broker or agent; and
- to perform marketing services on our behalf or pursuant to a joint marketing agreement with another financial institution.

Security of Customer Information

We require service providers to the BB&T Funds:

- to maintain policies and procedures designed to assure only appropriate access to, and use of information about customers of the BB&T Funds; and
- to maintain physical, electronic and procedural safeguards that comply with applicable legal standards to guard nonpublic personal information of customers of the BB&T Funds.

We will adhere to the policies and practices described in this notice regardless of whether you are a current or former customer of the BB&T Funds.

¹ For purposes of this notice, the terms "customer" or "customers" includes both individual shareholders of the BB&T Funds and individuals who provide nonpublic personal information to the BB&T Funds, but do not invest in BB&T Funds shares.

**BB&T FUNDS
EQUITY INDEX FUND**

**SUPPLEMENT DATED DECEMBER 1, 2009
TO THE
CLASS A, CLASS B AND CLASS C SHARES PROSPECTUS
AND INSTITUTIONAL SHARES PROSPECTUS
DATED MAY 1, 2009**

This Supplement provides the following amended and supplemental information and supersedes any information to the contrary in the Class A, Class B, and Class C Shares Prospectus and the Institutional Shares Prospectus (together, the “Prospectuses”) of the BB&T Equity Index Fund (the “Fund”), each dated May 1, 2009:

Effective on or about December 1, 2009, the S&P 500 Index Master Portfolio will be renamed the S&P 500 Stock Master Portfolio, Barclays Global Investors, N.A. (“BGI”) will be renamed BlackRock Institutional Trust Company, N.A. (“BTC”), and Barclays Global Fund Advisors (“BGFA”) will be renamed BlackRock Fund Advisors (“BFA”). References to each entity in the Fund’s Prospectuses are revised accordingly.

In addition, the paragraph under the heading “Investment Adviser – Adviser to the Master Portfolio” in the Fund’s Prospectuses is revised in its entirety with the following:

BFA is located at 400 Howard Street, San Francisco, CA 94105. It is a wholly-owned subsidiary of BTC, which in turn is a wholly-owned subsidiary of BlackRock, Inc. Based on June 30, 2009 figures, BTC and its affiliates, including BFA, provided investment advisory services for assets in excess of \$3 trillion. BFA, BTC, BlackRock Investors Services, BlackRock, Inc. and their affiliates deal, trade and invest for their own accounts in the types of securities in which the Master Portfolio invests. BFA is entitled to receive monthly fees at the annual rate of 0.05% of the average daily net assets of the Master Portfolio as compensation for its advisory services.

Please contact your financial advisor or BB&T Funds at 1-800-228-1872 if you have any questions.

**SHAREHOLDERS SHOULD RETAIN THIS SUPPLEMENT WITH
THE PROSPECTUS FOR FUTURE REFERENCE.**

EQX-SUP-1209

**BB&T FUNDS
EQUITY INDEX FUND**

**SUPPLEMENT DATED DECEMBER 1, 2009
TO THE
BB&T EQUITY INDEX FUND STATEMENT OF ADDITIONAL INFORMATION
DATED MAY 1, 2009**

This Supplement provides the following amended and supplemental information and supersedes any information to the contrary in the Statement of Additional Information (the “SAI”) of the BB&T Equity Index Fund (the “Fund”) dated May 1, 2009:

Effective on or about December 1, 2009, the S&P 500 Index Master Portfolio will be renamed the S&P 500 Stock Master Portfolio, Barclays Global Investors, N.A. (“BGI”) will be renamed BlackRock Institutional Trust Company, N.A. (“BTC”), and Barclays Global Fund Advisors (“BGFA”) will be renamed BlackRock Fund Advisors (“BFA”). References to each entity in the Fund’s SAI are revised accordingly.

In addition, the first two paragraphs under the heading “Investment Adviser of the Master Portfolio” in the Fund’s SAI is replaced in its entirety with the following:

BFA provides investment advisory services to the Master Portfolio pursuant to an investment advisory contract (the “Advisory Contract”) with MIP. Pursuant to the Advisory Contract, BFA furnishes to the MIP’s Board of Trustees periodic reports on the investment strategy and performance of the Master Portfolio.

BFA is a wholly-owned subsidiary of BTC. BTC is a national bank, which is, in turn, a wholly-owned subsidiary of BlackRock, Inc.

The Advisory Contract is subject to annual approval by (i) MIP’s Board of Trustees or (ii) vote of a majority (as defined in the 1940 Act) of the outstanding voting interests of the Master Portfolio, provided that in either event the continuance also is approved by a majority of Independent Trustees of MIP, by a vote cast in person at a meeting called for the purpose of voting on such approval. The Advisory Contract is terminable without penalty on 60 days’ written notice by either party. The Advisory Contract will terminate automatically in the event of its assignment (as defined in the 1940 Act).

BFA is entitled to receive monthly fees at the annual rate of 0.05% of the average daily net assets of the Master Portfolio as compensation for its advisory services to the Master Portfolio. This advisory fee is an expense of the Master Portfolio borne proportionately by its interestholders, such as the Fund. From time to time, BFA may waive such fee in whole or in part. Any such waiver will reduce the expenses of the Master Portfolio and, accordingly, have a favorable impact on its performance.

The paragraph titled “S&P 500 Index Master Portfolio” under the heading “Valuation” in the SAI is deleted in its entirety and replaced with the following disclosure:

S&P 500 Stock Master Portfolio. The securities of the Master Portfolio are valued as follows. The aggregate net asset value of the Master Portfolio is the value of the securities held by the Master Portfolio plus any cash or other assets (including interest and dividends accrued but not yet received) minus all liabilities (including accrued expenses). Expenses, including the fee payable to BlackRock, are accrued daily. Each investor in the Master Portfolio may add to or reduce its investment in the Master Portfolio on each day the NYSE is open for trading. The value of each investor’s interest in the Master Portfolio will be determined after the close of business on the NYSE by multiplying the aggregate net asset value of the Master Portfolio by the percentage, effective for that day, that represents the investor’s share of the aggregate interests in the Master Portfolio. Any additions or withdrawals to be effected on that day will then be effected. The investor’s percentage of the aggregate interests in the Master Portfolio will then be recomputed as the percentage equal to the fraction (i) the numerator of which is the value of such investor’s investment in the Master Portfolio as of the time of determination on such day plus or minus, as the case may be, the amount of any additions to or withdrawals from the investor’s investment in the Master Portfolio effected on such day, and (ii) the denominator of which is the aggregate net asset value of the

Master Portfolio as of such time on such day plus or minus, as the case may be, the amount of the net additions to or withdrawals from the aggregate investments in the Master Portfolio by all investors in the Master Portfolio. The percentage so determined will then be applied to determine the value of the investor's interest in the Master Portfolio after the close of business on the NYSE or the next determination of the aggregate net asset value of the Master Portfolio.

Valuation of securities held by the Master Portfolio is as follows:

Equity Investments. Equity securities traded on a recognized securities exchange (e.g., NYSE), separate trading boards of a securities exchange or through a market system that provides contemporaneous transaction pricing information (an "Exchange") are valued via independent pricing services generally at the Exchange closing price or if an Exchange closing price is not available, the last traded price on that Exchange prior to the time as of which the assets or liabilities are valued, however, under certain circumstances other means of determining current market value may be used. If an equity security is traded on more than one Exchange, the current market value of the security where it is primarily traded generally will be used. In the event that there are no sales involving an equity security held by the Master Portfolio on a day on which the Master Portfolio values such security, the last bid (long positions) or ask (short positions) price, if available, will be used as the value of such security. If the Master Portfolio holds both long and short positions in the same security, the last bid price will be applied to securities held long and the last ask price will be applied to securities sold short. If no bid or ask price is available on a day on which the Master Portfolio values such security, the prior day's price will be used, unless [BlackRock] determines that such prior day's price no longer reflects the fair value of the security, in which case such asset would be treated as a fair value asset.

Fixed Income Investments. Fixed income securities for which market quotations are readily available are generally valued using such securities' most recent bid prices provided directly from one or more broker-dealers, market makers, or independent third-party pricing services which may use matrix pricing and valuation models to derive values, each in accordance with valuation procedures approved by the Master Portfolio's Board. The amortized cost method of valuation may be used with respect to debt obligations with sixty days or less remaining to maturity unless BFA determines such method does not represent fair value. Loan participation notes are generally valued at the mean of the last available bid prices from one or more brokers or dealers as obtained from independent third-party pricing services. Certain fixed income investments including asset-backed and mortgage-related securities may be valued based on valuation models that consider the estimated cash flows of each tranche of the entity, establish a benchmark yield and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche. Fixed income securities for which market quotations are not readily available may be valued by third-party pricing services that make a valuation determination by securing transaction data (e.g., recent representative bids), credit quality information, perceived market movements, news, and other relevant information and by other methods, which may include consideration of: yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions.

Options, Futures, Swaps and Other Derivatives. Exchange-traded equity options for which market quotations are readily available are valued at the mean of the last bid and ask prices as quoted on the Exchange or the board of trade on which such options are traded. In the event that there is no mean price available for an exchange traded equity option held by the Master Portfolio on a day on which the Master Portfolio values such option, the last bid (long positions) or ask (short positions) price, if available, will be used as the value of such option. If no bid or ask price is available on a day on which the Master Portfolio values such option, the prior day's price will be used, unless BlackRock determines that such prior day's price no longer reflects the fair value of the option in which case such option will be treated as a fair value asset. OTC options may be valued using a mathematical model which incorporates a number of market data factors. Financial futures contracts and options thereon, which are traded on exchanges, are valued at their last sale price or settle price as of the close of such exchanges. Swap agreements and other derivatives are generally valued daily based upon quotations from market makers or by a pricing service in accordance with the valuation procedures approved by the Board.

Underlying Funds. Shares of underlying open-end funds are valued at net asset value. Shares of underlying exchange-traded closed-end funds or other ETFs will be valued at their most recent closing price.

GENERAL VALUATION INFORMATION

In determining the market value of portfolio investments, the Master Portfolio may employ independent third party pricing services, which may use, without limitation, a matrix or formula method that takes into consideration market indexes, matrices, yield curves and other specific adjustments. This may result in the securities being valued at a price different from the price that would have been determined had the matrix or formula method not been used. All cash, receivables and current payables are carried on the Master Portfolio's books at their face value.

Prices obtained from independent third party pricing services, broker-dealers or market makers to value the Master Portfolio's securities and other assets and liabilities are based on information available at the time the Master Portfolio values its assets and liabilities. In the event that a pricing service quotation is revised or updated subsequent to the day on which the Master Portfolio valued such security, the revised pricing service quotation generally will be applied prospectively. Such determination shall be made considering pertinent facts and circumstances surrounding such revision.

In the event that application of the methods of valuation discussed above result in a price for a security which is deemed not to be representative of the fair market value of such security, the security will be valued by, under the direction of or in accordance with a method specified by the Master Portfolio's Board as reflecting fair value. All other assets and liabilities (including securities for which market quotations are not readily available) held by the Master Portfolio (including restricted securities) are valued at fair value as determined in good faith by the Master Portfolio's Board or by BlackRock (its delegate). Any assets and liabilities which are denominated in a foreign currency are translated into U.S. dollars at the prevailing rates of exchange.

Certain of the securities acquired by the Master Portfolio may be traded on foreign exchanges or over-the-counter markets on days on which the Master Portfolio's net asset value is not calculated. In such cases, the net asset value of the Master Portfolio's shares may be significantly affected on days when investors can neither purchase nor redeem shares of the Master Portfolio.

Fair Value. When market quotations are not readily available or are believed by BlackRock Advisors, LLC, BlackRock, Inc. and their affiliates (collectively, "BlackRock") to be unreliable, the Master Portfolio's investments are valued at fair value ("Fair Value Assets"). Fair Value Assets are valued by BlackRock in accordance with procedures approved by the Master Portfolio's Board. BlackRock may conclude that a market quotation is not readily available or is unreliable if a security or other asset or liability does not have a price source due to its complete lack of trading, if BlackRock believes a market quotation from a broker-dealer or other source is unreliable (e.g., where it varies significantly from a recent trade, or no longer reflects the fair value of the security or other asset or liability subsequent to the most recent market quotation), where the security or other asset or liability is only thinly traded or due to the occurrence of a significant event subsequent to the most recent market quotation. For this purpose, a "significant event" is deemed to occur if BlackRock determines, in its business judgment prior to or at the time of pricing the Master Portfolio's assets or liabilities, that it is likely that the event will cause a material change to the last exchange closing price or closing market price of one or more assets or liabilities held by the Master Portfolio. On any date the NYSE is open and the primary exchange on which a foreign asset or liability is traded is closed, such asset or liability will be valued using the prior day's price, provided that BlackRock is not aware of any significant event or other information that would cause such price to no longer reflect the fair value of the asset or liability, in which case such asset or liability would be treated as a Fair Value Asset. For certain foreign securities, a third-party vendor supplies evaluated, systematic fair value pricing based upon the movement of a proprietary multi-factor model after the relevant foreign markets have closed. This systematic fair value pricing methodology is designed to correlate the prices of foreign securities following the close of the local markets to the price that might have prevailed as of the Master Portfolio's pricing time.

BlackRock, with input from the BlackRock Portfolio Management Group, will submit its recommendations regarding the valuation and/or valuation methodologies for Fair Value Assets to BlackRock's Valuation Committee. The Valuation Committee may accept, modify or reject any recommendations. In addition, the Master Portfolio's accounting agent periodically endeavors to confirm the prices it receives from all third party pricing services, index providers and broker-dealers, and, with the assistance of BlackRock, to

regularly evaluate the values assigned to the securities and other assets and liabilities held by the Master Portfolio. The pricing of all Fair Value Assets is subsequently reported to and ratified by the Board or a Committee thereof.

When determining the price for a Fair Value Asset, the BlackRock Valuation Committee (or the Pricing Group) shall seek to determine the price that the Master Portfolio might reasonably expect to receive from the current sale of that asset or liability in an arm's-length transaction. The price generally may not be determined based on what the Master Portfolio might reasonably expect to receive for selling an asset or liability at a later time or if it holds the asset or liability to maturity. Fair value determinations shall be based upon all available factors that the Valuation Committee (or Pricing Group) deems relevant at the time of the determination, and may be based on analytical values determined by BlackRock using proprietary or third party valuation models.

Fair value represents a good faith approximation of the value of an asset or liability. The fair value of one or more assets or liabilities may not, in retrospect, be the price at which those assets or liabilities could have been sold during the period in which the particular fair values were used in determining the Master Portfolio's net asset value. As a result, the Master Portfolio's sale or redemption of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing shareholders.

The Master Portfolio's annual audited financial statements, which are prepared in accordance with generally accepted accounting principles ("GAAP"), follow the requirements for valuation set forth in Statement on Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"), which defines and establishes a framework for measuring fair value under GAAP and expands financial statement disclosure requirements relating to fair value measurements.

Generally, FAS 157 and other accounting rules applicable to mutual funds and various assets in which they invest are evolving. Such changes may adversely affect the Master Portfolio. For example, the evolution of rules governing the determination of the fair market value of assets or liabilities to the extent such rules become more stringent would tend to increase the cost and/or reduce the availability of third-party determinations of fair market value. This may in turn increase the costs associated with selling assets or affect their liquidity due to the Master Portfolio's inability to obtain a third-party determination of fair market value.

Please contact your financial advisor or BB&T Funds at 1-800-228-1872 if you have any questions.

SHAREHOLDERS SHOULD RETAIN THIS SUPPLEMENT WITH THE STATEMENT OF ADDITIONAL INFORMATION FOR FUTURE REFERENCE.

EQX-SUP-1209



PROSPECTUS

EQUITY INDEX FUND






INSTITUTIONAL SHARES

MAY 1, 2009

Questions?

Call 1-800-228-1872
or your investment representative.

The Securities and Exchange Commission ("SEC") has not approved or disapproved the shares described in this prospectus or determined whether this prospectus is accurate or complete. Anyone who tells you otherwise is committing a crime.

<p><i>Carefully review this important section which summarizes the Fund's investment objectives, principal investment strategies, risks, past performance, and fees.</i></p>		Risk/Return Summary and Fund Expenses
		<ul style="list-style-type: none"> 3 Overview 4 Equity Index Fund
<p><i>Review this section for information on investment strategies and their risks.</i></p>		Additional Investment Strategies and Risks
		<ul style="list-style-type: none"> 9 Investment Practices 9 Investment Risks
<p><i>Review this section for details on the people and organizations who oversee the Fund.</i></p>		Fund Management
		<ul style="list-style-type: none"> 11 The Investment Adviser 11 Portfolio Managers 12 The Administrator and Distributor
<p><i>Review this section for details on how shares are valued, how to purchase, sell and exchange shares, related charges, and payments of dividends and distributions.</i></p>		Shareholder Information
		13 Choosing a Share Class
		14 Pricing of Fund Shares
		15 Purchasing and Adding to Your Shares
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		17 General Policies on Selling Shares
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**The Fund**

BB&T Funds is a mutual fund family that offers different classes of shares in separate investment portfolios (the “Funds”). The Funds have individual investment goals and strategies. This prospectus provides you with important information about the Institutional Shares of the BB&T Equity Index Fund (the “Fund”) that you should know before investing. The Fund also offers three additional classes of shares known as Class A, Class B, and Class C Shares, which are described in a separate prospectus. Please read this prospectus and keep it for future reference.

The Fund described in this prospectus is a mutual fund. A mutual fund pools shareholders’ money and, using professional investment managers, invests it in securities like stocks and bonds. Before you look at the Fund, you should know a few general basics about investing in mutual funds.

The value of your investment in the Fund is based on the market prices of the securities the Fund holds. These prices change daily due to economic and other events that affect securities markets generally, as well as those that affect particular companies or government units. These price movements, sometimes called volatility, will vary depending on the types of securities the Fund owns and the markets where these securities trade.

Like other investments, you could lose money on your investment in the Fund. Your investment in the Fund is not a deposit or an obligation of Branch Banking and Trust Company, BB&T Corporation, their affiliates, or any bank. Your investment is not insured by the Federal Deposit Insurance Corporation or any government agency.

Each of the BB&T Funds has its own investment goal and strategies for reaching that goal. However, it cannot be guaranteed that each BB&T Fund will achieve its goal. Before investing, make sure that the Fund’s goal matches your own.

The portfolio manager invests the Fund’s assets in a way that the manager believes will help the Fund achieve its goal. A portfolio manager’s judgments about the economy, stock markets, and companies, as well as a portfolio manager’s selection of instruments, may cause the Fund to underperform other funds with similar objectives.

Equity Index Fund

This Fund seeks to provide investment results that correspond as closely as practicable, before fees and expenses, to the total return of the broad range of stocks represented in the Standard & Poor's 500[®] Index (the "S&P 500[®] Index"¹).

Who May Want to Invest

Consider investing in this Fund if you are:

- seeking a long-term goal such as retirement
- looking to add a growth component to your portfolio
- willing to accept the risks of investing in a stock market

This Fund may not be appropriate if you are:

- pursuing a short-term goal or investing emergency reserves
- uncomfortable with an investment that will fluctuate in value

¹ "S&P 500" is a registered service mark of Standard & Poor's Corporation, which does not sponsor and is in no way affiliated with the Fund or Master Portfolio.

Risk/Return Summary

Investment Objective

The Fund seeks to provide investment results that correspond as closely as practicable, before fees and expenses, to the total return of the broad range of stocks represented in the S&P 500® Index.

Principal Investment Strategies

To pursue this goal, the Fund presently invests all of its assets in the S&P 500® Index Master Portfolio (the “Master Portfolio”), which is a series of Master Investment Portfolio, an open-end, management investment company. The Master Portfolio has substantially the same investment objective as the Fund. For simplicity’s sake, all discussions of the Fund’s investment objective, strategies, and risks refer also to the Master Portfolio’s objective, strategies, and risks, unless otherwise indicated.

The Master Portfolio seeks to replicate the total return performance of the S&P 500® Index, which is a widely used measure of large U.S. company stock performance. The S&P 500® Index consists of the common stocks of 500 major corporations selected according to:

- Size
- Frequency and ease of stock trading, and
- Representation of the size and diversity of the American economy.

The weightings of stocks in the S&P 500® Index are based on each stock’s relative total market capitalization, that is, its market price per share times the number of shares outstanding. The percentage of the Fund’s assets invested in a given stock is approximately the same as the percentage such stock represents in the S&P 500® Index. Consequently, the Fund, through its investment in the Master Portfolio, is invested in all the securities that make up the S&P 500® Index and holds those securities in amounts that match their weighting in the S&P 500® Index.

Principal Investment Risks

Your investment in the Fund may be subject to the following principal risks:

Index Investing: The Fund attempts to track the performance of the S&P 500® Index. Therefore, securities may be purchased, retained and sold by the Fund at times when an actively managed fund would not do so. If the value of securities that are heavily weighted in the index changes, you can expect a greater risk of loss than would be the case if the Fund were not fully invested in such securities.

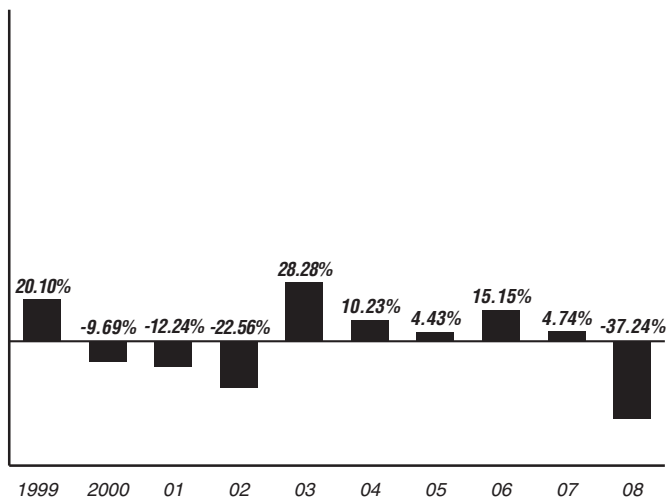
Market Risk: The possibility that the Fund’s stock holdings will decline in price because of a broad stock market decline. Markets generally move in cycles, with periods of rising prices followed by periods of falling prices. The value of your investment will tend to increase or decrease in response to these movements.

Investment Style Risk: The possibility that the market segment on which this Fund focuses – stocks in the S&P 500® Index – will underperform other kinds of investments or market averages.

If the Fund invests in securities with additional risks, its share price volatility accordingly could be greater and its performance lower. For more information about these risks, please see “Additional Investment Strategies and Risks” on pages 8-10 or consult the Statement of Additional Information (the “SAI”).

The chart and table on this page show how the Fund has performed and how its performance has varied from year to year. The bar chart gives some indication of the risks of an investment in the Fund by showing changes in the Fund's performance from year to year. The table below compares the Fund's adjusted performance, over time to that of the S&P 500® Index, a widely recognized, unmanaged index of common stocks. Of course, past performance does not indicate how the Fund will perform in the future.

Performance Bar Chart and Table^{1,2}
Year-by-Year Total Returns as of 12/31
for Institutional Shares



The bar chart above does not reflect the impact of any applicable sales charges or account fees which would reduce returns. Additionally, the performance information shown above is based on a calendar year.

Best quarter:	15.24%	6/30/03
Worst quarter:	-21.93%	12/31/08

Average Annual Total Returns (for the periods ended December 31, 2008) ^{1,2}
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	1 Year	5 Years	10 Years	Since Inception (7/02/93) ⁵
Institutional Shares¹				
Return Before Taxes	-37.24%	-2.71%	-1.92%	5.96%
Return After Taxes on Distributions ³	-37.45%	-2.95%	-2.14%	5.81%
Return After Taxes on Distributions and Sale of Fund Shares ³	-23.82%	-2.19%	-1.62%	5.31%
S&P 500® Index (reflects no deductions for fees, expenses, or taxes)	-37.00%	-2.19%	-1.38%	6.58% ⁴

¹ Performance data includes the performance of the Master Portfolio for the period prior to the Fund's commencement of operations on September 11, 2000. The Fund will have annual returns substantially similar to those of the Master Portfolio because the Fund is fully invested in the Master Portfolio. Institutional Shares commenced operations on May 1, 2007. For the period from September 11, 2000 to April 30, 2007, the performance data includes the performance of the Fund's Class A Shares. Institutional Shares and Class A Shares of the Fund would have substantially similar performance because the Shares are invested in the same portfolio of securities. Annual returns will differ only to the extent that the Classes or the Master Portfolio have different expenses.

² Both the bar chart and table assume reinvestment of dividends and distributions.

³ After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

⁴ Since June 30, 1993.

⁵ Date on which the Master Portfolio commenced operations.

As an investor in the Fund, you will pay the following fees and expenses when you buy and hold shares. Shareholder transaction fees are paid from your account. Annual Fund operating expenses are paid out of Fund assets and are reflected in the share price.

Fees and Expenses

Shareholder Transaction Expenses (fees paid by you directly) ¹	Institutional Shares
Maximum Sales Charge (load) on Purchases	None
Maximum Deferred Sales Charge (load)	None
Redemption Fee ²	None
Annual Fund Operating Expenses ³ (fees paid from Fund assets)	Institutional Shares
Management Fee ⁴	0.05%
Distribution and Shareholder Service (12b-1) Fee	0.00%
Other Expenses ⁵	0.82%
Total Annual Fund Operating Expenses ³	0.87%
Fee Waivers or Expense/Reimbursement	0.00%
Net Fund Operating Expenses ³	0.87%

¹ Participating banks or other financial institutions may charge their customers account fees for automatic investment, exchanges and other cash management services provided in connection with investment in the Fund.

² A wire transfer fee of \$7.00 may be deducted from the amount of your redemption if you request a wire transfer. This fee is currently being waived.

³ Net Fund Operating Expenses, including Total Annual Fund Operating Expenses, include the Fund's and Master Portfolio's fees and expenses.

⁴ While BB&T Asset Management, Inc. ("BB&T Asset Management" or "Adviser") is the Fund's named "Investment Adviser", BB&T Asset Management receives no management fee. The listed Management Fee is paid to the Master Portfolio's investment adviser.

⁵ Other Expenses have been restated to reflect current fees and expenses.

Use the table at right to compare fees and expenses with those of other funds. It illustrates the amount of fees and expenses you would pay, assuming the following:

- \$10,000 investment
- 5% annual return
- redemption at the end of each period
- no changes in the Fund's operating expenses

Because this example is hypothetical and for comparison only, your actual costs will be different.

Expense Example*

Equity Index Fund	1 Year	3 Years	5 Years	10 Years
Institutional Shares	\$89	\$278	\$482	\$1,073

* These examples reflect the fees and expenses of both the Fund and the Master Portfolio.



Equity Index Fund

Tracking. The Fund seeks to achieve its investment objective by investing all of its assets in the Master Portfolio. Under normal market conditions, at least 90% of the Master Portfolio's net assets, including any borrowing for investment purposes, is invested in securities comprising the S&P 500® Index. The Master Portfolio attempts to achieve, in both rising and falling markets, a correlation of at least 95% between the total return of its net assets before expenses and the total return of the S&P 500® Index. It does not seek to "beat" the market it tracks. Barclays Global Fund Advisors ("BGFA"), the Master Portfolio's investment adviser, makes no attempt to apply economic, financial, or market analysis when managing the Master Portfolio. It selects securities because they will help the Master Portfolio achieve returns corresponding to index returns. Including a security among the Master Portfolio's holdings implies no opinion as to its attractiveness as an investment.

As a matter of non-fundamental policy, under normal circumstances, the Fund will invest at least 80% of its net assets plus borrowings for investment purposes in the securities comprising an equity index selected by BB&T Asset Management or another investment company that invests substantially all of its assets in such an index. This policy will not be changed without at least 60 days' written notice to shareholders.

Investing in Indexes. Investors often look to indexes as a standard of performance. Indexes are model portfolios, groups of stocks or bonds selected to represent not actual securities, but an entire market. One way an index fund can seek to match an index's performance, before fees and expenses, is through buying all the index's securities in the same proportion as they are reflected in the index. This is what the Master Portfolio does with regard to the S&P 500® Index.

Investing in ETFs, Futures, and Options. The Master Portfolio may invest in Exchange Traded Funds ("ETFs"), futures contracts and options on futures contracts, including stock index futures and options thereon, to remain fully invested while keeping cash on hand, either in anticipation of shareholder redemptions or because it has not yet invested new shareholder money. The Master Portfolio may invest in high-quality money market instruments to provide liquidity.

Master/Feeder Structure. While BB&T Asset Management is the Fund's named investment adviser, BB&T Asset Management receives no management fee, and has no day-to-day management duties while the Fund is fully invested in a separate open-end management investment company, such as the Master Portfolio, that has a substantially similar investment objective as the Fund. BGFA serves as investment adviser for the Master Portfolio. The Master Portfolio may accept investments from other feeder funds.

Feeder Fund Expenses. The feeder funds that invest in the Master Portfolio bear the Master Portfolio's expenses in proportion to the amount of assets each invests in the Portfolio. Each feeder can set its own transaction minimums, fund-specific expenses, and conditions.

Feeder Fund Rights. Under the master/feeder structure, BB&T Asset Management, the Fund's Adviser may withdraw the Fund's assets from the Master Portfolio if the Fund's Board of Trustees determines that doing so is in shareholders' best interests. If the Adviser withdraws the Fund's assets, it would then consider whether it should assume day-to-day management, invest in another master portfolio, or recommend other action to the Fund's Board of Trustees.

Additional Investment Strategies and Risks

Investment Practices

The Fund and the Master Portfolio invest in a variety of securities and employ a number of investment techniques. Each security and technique involves certain risks. The following table describes the securities and techniques the Fund and Master Portfolio use, as well as the main risks they pose. Equity securities are subject mainly to market risk. You may also consult the SAI for additional details regarding these and other permissible investments.

<u>Instrument</u>	<u>Risk Type</u>
Derivatives: Instruments whose value is derived from an underlying contract, index or security, or any combination thereof, including futures, options (<i>e.g.</i> , puts and calls), options on futures, swap agreements, and some mortgage-backed securities.	Management Market Credit Liquidity Derivatives Interest Rate
Exchange Traded Funds (“ETFs”): Open or closed-end mutual funds that are traded on exchanges continuously throughout the day, including some for which BGFA serves as investment advisor.	Management Market
Futures and Related Options: A contract providing for the future sale and purchase of a specified amount of a specified security, class of securities, or an index at a specified time in the future and at a specified price.	Management Market Credit Liquidity Derivatives
Reverse Repurchase Agreement: The sale of a security and the simultaneous commitment to buy the security back at an agreed upon price on an agreed upon date. This is treated as a borrowing by the Fund.	Market Leverage
Securities Lending: The lending of up to 33⅓% of the Fund’s total assets, including the assets received by the Fund as collateral for securities loaned. In return the Fund will receive cash, other securities, and/or letters of credit as collateral.	Market Derivatives Liquidity Credit

Investment Risks

Below is a more complete discussion of the types of risks inherent in the securities and investment techniques listed above as well as those risks discussed in “Risk/Return Summary and Fund Expenses.” Because of these risks, the value of the securities held by the Fund and the Master Portfolio may fluctuate, as will the value of your investment in the Fund. Certain investments are more susceptible to these risks than others.

Credit Risk. The risk that the issuer of a security, or the counterparty to a contract, will default or otherwise become unable to honor a financial obligation. Credit risk is generally higher for non-investment grade securities. The price of a security can be adversely affected prior to actual default as its credit status deteriorates and the probability of default rises.

ETF Risk. The risk associated with the risks of owning the underlying securities the ETF is designed to track. Lack of liquidity in an ETF could result in it being more volatile than the underlying portfolio of securities. When a Fund invests in an ETF, in addition to directly bearing expenses associated with its own operations, it will bear a pro rata portion of the ETF’s expenses. As a result, it may be more costly to own an ETF.

Investment Style Risk. The risk that returns from a particular class or group of stocks (*e.g.*, value, growth, small cap, large cap) will trail returns from other asset classes or the overall stock market.

Groups or asset classes of stocks tend to go through cycles of doing better or worse than common stocks in general. These cycles can last for periods as long as several years. Additionally, a particular asset class or group of stocks could fall out of favor with the market, causing the Fund to underperform funds that focus on other types of stocks.

Additional Investment Strategies and Risks

Interest Rate Risk. The risk that debt prices overall will decline over short or even long periods due to rising interest rates. A rise in interest rates typically causes a fall in values, while a fall in rates typically causes a rise in values. Interest rate risk should be modest for shorter-term securities, moderate for intermediate-term securities, and high for longer-term securities. Generally, an increase in the average maturity of the Fund will make it more sensitive to interest rate risk. The market prices of securities structured as zero coupon or pay-in-kind securities are generally affected to a greater extent by interest rate changes. These securities tend to be more volatile than securities which pay interest periodically.

Derivatives Risk. The Fund may use derivatives in connection with its investment strategies. Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the Fund's original investment. Derivatives are subject to the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index. The use of derivatives may not be successful, resulting in losses to the Fund, and the cost of hedging may reduce the Fund's returns. Derivatives also expose the Fund to the credit risk of the derivative counterparty. In addition, use of derivatives for non-hedging purposes increases the Fund's potential for loss.

Investing in derivatives will result in a form of leverage. Leverage involves special risks. There is no assurance that the Fund will leverage its portfolio or, if it does, that the Fund's leveraging strategy will be successful. The Fund may be more volatile than if the Fund had not been leveraged because the leverage tends to exaggerate any effect of the increase or decrease in the value of the Fund's portfolio securities. The Fund cannot assure you that the use of leverage will result in a higher return on your investment, and using leverage could result in a net loss on your investment. Registered investment companies such as the Fund are limited in their ability to engage in derivative transactions and are required to identify and earmark assets to provide asset coverage for derivative transactions.

Liquidity Risk. The risk that certain securities may be difficult or impossible to sell at the time and the price that would normally prevail in the market. The seller may have to lower the price, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on portfolio management or performance. This includes the risk of foregoing an investment opportunity because the assets necessary to take advantage of it are tied up in less advantageous investments.

Management Risk. The risk that a strategy used by the Fund or Master Portfolio's management may fail to produce the intended result. This includes the risk that changes in the value of a hedging instrument will not match those of the asset being hedged. Incomplete matching can result in unanticipated risks.

Market Risk. The risk that the market value of a security may move up and down, sometimes rapidly and unpredictably. These fluctuations may cause a security to be worth less than the price originally paid for it, or less than it was worth at an earlier time. Market risk may affect a single issuer, industrial sector of the economy or the market as a whole. Finally, key information about a security or market may be inaccurate or unavailable.

Securities Lending Risk. Securities lending involves counterparty risk, including the risk that the loaned securities may not be returned in a timely manner and/or a loss of rights in the collateral if the borrower or the lending agent defaults or enters into bankruptcy. The risk is increased when a Fund's loans are concentrated with a single or limited number of borrowers. In addition, a Fund bears the risk of loss in connection with its investments of the cash collateral it receives from the borrower. To the extent that the value or return of a Fund's investments of the cash collateral declines below the amount owed to a borrower, the Fund may incur losses that exceed the amount it earned on lending the security.



The Investment Adviser

Adviser to the Fund. BB&T Asset Management is the investment adviser for the Fund. BB&T Asset Management, located at 434 Fayetteville Street Mall, 5th Floor, Raleigh, NC 27601, is a wholly-owned subsidiary of BB&T Corporation (“BB&T”), a financial holding company that is a North Carolina corporation, headquartered in Winston-Salem, North Carolina. Through its subsidiaries, BB&T operates over 1,500 banking offices in Alabama, Florida, Georgia, Indiana, Kentucky, Tennessee, Maryland, North Carolina, South Carolina, Virginia, West Virginia and Washington, D.C., providing a broad range of financial services to individuals and businesses.

In addition to general commercial, mortgage and retail banking services, BB&T also provides trust, investment, and retail and wholesale insurance services. BB&T has provided investment management services through its Trust and Investment Management Division since 1912. BB&T Asset Management employs an experienced staff of professional portfolio managers and traders who use a disciplined investment process that focuses on maximization of risk-adjusted investment returns. BB&T Asset Management and its predecessors have managed common and collective investment funds for its fiduciary accounts for more than 20 years. As of December 31, 2008, BB&T Asset Management had approximately \$15.3 billion under management.

Under its Investment Advisory Agreement with respect to the Equity Index Fund, BB&T Asset Management exercises general oversight over the investment performance of the Fund. BB&T Asset Management will advise the Board of Trustees if investment of all of the Fund’s assets in shares of the Master Portfolio is no longer an appropriate means of achieving the Fund’s investment objective. The Fund may withdraw its investment in the Master Portfolio at any time, if the Board of Trustees of the Fund determines that such action is in the best interests of the Fund and its shareholders. For periods in which all the Fund’s assets are not invested in the Master Portfolio, BB&T Asset Management may receive an investment advisory fee from the Fund. BB&T Asset Management has waived that fee through April 30, 2010. If BB&T Asset Management assumes active management of the Fund, after April 30, 2010, the investment advisory fee may be increased to 0.50% of average net assets under BB&T Asset Management’s investment advisory agreement with the Fund.

A discussion regarding the basis for the Board of Trustees of BB&T Funds approving the Investment Advisory Agreement with BB&T Asset Management is available in the Fund’s annual report to shareholders for the period ended December 31, 2008.

Adviser to the Master Portfolio. BGFA provides investment guidance and policy direction in connection with the management of the Master Portfolio’s assets. It makes the day-to-day decisions on buying and selling securities for the Master Portfolio and conducts the research leading to those decisions. BGFA is located at 400 Howard Street, San Francisco, California, 94105. It is a wholly-owned subsidiary of Barclays Global Investors, N.A. (“BGI”), which in turn is a majority-owned subsidiary of Barclays Bank PLC. As of December 31, 2008, BGI and its affiliates, including BGFA, provided investment advisory services for assets worth in excess of \$1.5 trillion. BGFA may deal, trade, and invest for its own accounts in the types of securities in which the Master Portfolio may also invest. BGFA is entitled to receive monthly fees at the annual rate of 0.05% of the average daily net assets of the Master Portfolio as compensation for its advisory services.

Portfolio Managers

BGFA uses a team (the “Portfolio Management Team”) to manage the Master Portfolio to reflect, to the extent feasible, the investment characteristics of its benchmark index, and BGFA employs a combination of proprietary investment management systems and procedures to validate the consistent application of its investment methods. This team approach to portfolio management brings together many disciplines and leverages BGFA’s extensive resources. The five members of the Portfolio Management Team for the Master Portfolio that have the most significant responsibility for the day-to-day management are listed below. The team members listed below act collaboratively with the other members on all aspects concerning the Master Portfolio. Each member of the Portfolio Management Team, including the five below-listed members, is responsible for various functions related to portfolio management, including, but not limited to, investing cash inflows, coordinating with members of his or her team to focus on certain asset classes, implementing investment strategies, researching and reviewing investment strategies, and overseeing members of his or her Portfolio Management Team with more limited responsibilities, but each member of each Portfolio Management Team has appropriate limitations on his or her authority for risk management and compliance purposes.

Fund Management

The five members of the Portfolio Management Team for the S&P 500 Index Master Portfolio that have the most significant day-to-day management responsibility are: Diane Hsiung, Greg Savage, Edward Corallo, Christopher Bliss and Jennifer Hsui.

Diane Hsiung is an employee of BGFA and BGI and has been a member of the Portfolio Management Team for the S&P 500 Index Master Portfolio since January 2008. Ms. Hsiung has been a senior portfolio manager for BGFA and BGI since 2007 and a portfolio manager for BGFA and BGI from 2002 to 2006.

Greg Savage, CFA is an employee of BGFA and BGI and has been a member of the Portfolio Management Team for the S&P 500 Index Master Portfolio since January 2008. Mr. Savage has been a senior portfolio manager for BGFA and BGI since 2006 and a portfolio manager for BGFA and BGI from 2001 to 2006.

Edward Corallo is an employee of BGFA and BGI and has been a member of the Portfolio Management Team for the S&P 500 Index Master Portfolio since May 2009. Mr. Corallo has been the head of portfolio management in the Index Equity Group since 2007. Prior to that time, he was a senior portfolio manager for BGFA and BGI from 2001 to 2007.

Christopher Bliss, CFA is an employee of BGFA and BGI and has been a member of the Portfolio Management Team for the S&P 500 Index Master Portfolio since May 2009. Mr. Bliss has been a senior portfolio manager for BGI since 2005 and a portfolio manager for BGI from 2004 to 2005.

Jennifer Hsui, CFA is an employee of BGFA and BGI and has been a member of the Portfolio Management Team for the S&P 500 Index Master Portfolio since May 2009. Ms. Hsui has been a senior portfolio manager for BGI since 2007 and a portfolio manager for BGI from 2006 to 2007. Prior to joining BGI, Ms. Hsui was a research analyst for RBC Capital Markets from 2003 to 2006.

The Funds' SAI provides additional information about the compensation of the above-listed members of the Portfolio Management Team, other accounts they manage and their ownership of shares of the Funds that invest in the Master Portfolio.

The Administrator and Distributor

BB&T Asset Management (the "Administrator"), 434 Fayetteville Street Mall, 5th Floor, Raleigh, NC 27601, serves as the Fund's administrator. The administrative services of the Administrator include providing office space, equipment and clerical personnel to the Funds and supervising custodial, auditing, valuation, bookkeeping, legal and dividend disbursing services. PNC Global Investment Servicing (U.S.) Inc. ("PNC Global Investment Servicing") (formerly PFPC Inc.), 301 Bellevue Parkway, Wilmington, DE 19809, serves as the Fund's sub-administrator.

BB&T AM Distributors, Inc. (the "Distributor"), 760 Moore Road, King of Prussia, PA 19406, serves as the principal underwriter of the Fund's shares. The Distributor may use the 12b-1 fees that it receives from the Fund to defray the costs of advancing commissions to brokers and to provide financial assistance in connection with marketing and distribution expenses such as pre-approved seminars, conferences and advertising to the extent permitted by applicable state or self-regulatory agencies, such as the Financial Industry Regulatory Authority.

The SAI has more detailed information about the Adviser and other service providers.



Choosing a Share Class

BB&T Funds offer different classes of Fund shares, which have different expenses and other characteristics. Only one class of Fund shares, Institutional Shares, is offered in this prospectus. To choose the one that is best suited to your needs and goals, consider the amount of money you want to invest, how long you expect to invest it and whether you plan to make additional investments. The following are some of the main characteristics of the Institutional Shares:

Institutional Shares

- No sales charges.
- No distribution and shareholder service (12b-1) fees.
- Available only to Branch Banking and Trust Company and its affiliates and other financial service providers approved by the Distributor for the investment of funds for which they act in a fiduciary, advisory, agency, custodial or similar capacity; to individuals or corporations investing \$1,500,000 or more; or to employees of BB&T Asset Management.

Investment Amounts

The minimum initial investment in Institutional Shares of the Funds offered by this Prospectus is \$1,500,000. An Institutional shareholder's minimum investment cannot be calculated by combining all accounts he/she maintains with BB&T Funds – rather, the shareholder must meet the minimum amount for each Fund in which he/she wishes to invest. Investors and employees of BB&T Asset Management purchasing shares through Branch Banking and Trust Company, its affiliates or other financial service providers approved by the Distributor are not subject to a minimum initial investment requirement.

If your account falls below \$1,500,000, the Fund may ask you to increase your balance. If it is still below \$1,500,000 after 60 days, the Fund may close your account and send you the proceeds at the current net asset value (“NAV”).

For actual past expenses of the Institutional Shares, see the Average Annual Total Returns Table provided earlier in this Prospectus.

The Fund also offers Class A Shares, Class B Shares, and Class C Shares, each of which has its own expense structure. Class A Shares, Class B Shares, and Class C Shares are available to investors who are not fiduciary clients of Branch Banking and Trust Company and who are not otherwise eligible for Institutional Shares. Call the Distributor for more information (see back cover of this prospectus).

Generally, expenses applicable to the Fund are allocated to each share class of the Fund on the basis of the relative net assets of each class. Expenses applicable to a particular share class, such as distribution and shareholder service (12b-1) fees, are borne solely by that share class.

Shareholder Information

Pricing of Fund Shares

How NAV is Calculated

The per share NAV is calculated by adding the total value of the Fund's investments and other assets, subtracting all of its liabilities and then dividing that figure by the number of outstanding shares of the Fund:

$$\text{NAV} = \frac{\text{Total Assets} - \text{Total Liabilities}}{\text{Number of Shares Outstanding}}$$

NAV is calculated separately for each class of shares.

The NAV for the Fund is determined and its shares are priced at the close of regular trading on the New York Stock Exchange ("NYSE"), normally at 4:00 p.m. Eastern time on days the NYSE is open. On any day that the bond or stock markets close early, such as days in advance of or following holidays or in the event of an emergency, the Fund reserves the right to advance the time NAV is determined and by which purchase, redemption, and exchange orders must be received on that day.

Your order for purchase, sale or exchange of shares is priced at the next NAV calculated after your order is accepted by the Fund. This is what is known as the offering price.

The Fund's securities are generally valued at current market prices. If market quotations are not readily available, or if available market quotations are determined not to be reliable, prices will be based on fair value as determined by BB&T Funds' Pricing Committee (the "Pricing Committee") pursuant to procedures established by BB&T Funds' Board of Trustees. For further information regarding the methods used in valuing the Fund's investments, please see "Additional Information – Fair Value Pricing Policies" on page 21.

Shareholder Information

Purchasing and Adding to Your Shares

You may purchase Institutional Shares of the Fund through procedures established by the Distributor in connection with the requirements of fiduciary, advisory, agency, custodial and other similar accounts maintained by or on behalf of customers of Branch Banking and Trust Company or one of its affiliates or other financial service providers approved by the Distributor.

These parties are responsible for transmitting orders by close of business. Consult your investment representative or institution for specific information.

All purchases must be in U.S. dollars. A fee will be charged for any checks that do not clear. Third-party checks, money orders, credit card convenience checks, cash, traveler's checks, and checks drawn on foreign currencies are not accepted. The Fund or the transfer agent has the right to reject cashier's checks and official checks. In addition, bank starter checks are not accepted for initial purchase into the Fund.

Avoid Tax Withholding

The Fund is required to withhold a percentage of taxable dividends, capital gains distributions and redemptions paid to shareholders who have not provided the Fund with their certified Taxpayer Identification Number or have otherwise failed to comply with IRS rules. Shareholders are urged to read the additional information concerning withholding provided in the SAI and provide a correct Taxpayer Identification Number (Social Security Number for most investors) on the account application.

Anti-Money Laundering Program

The Fund's transfer agent is required by law to obtain certain personal information from you (or a person acting on your behalf) in order to verify your (or such person's) identity. If this information is not provided, the transfer agent may not be able to open your account. If the transfer agent is unable to verify your identity (or that of another person authorized to act on your behalf), or believes it has identified potentially criminal activity, the Fund, the Distributor and the transfer agent each reserve the right to refuse to open your account, to close your account or to take such other action as they deem reasonable or required by law.

Dividends and Distributions

All dividends and distributions will be automatically reinvested unless you request otherwise. There are no sales charges for reinvested distributions. Income dividends for the Fund are declared and paid quarterly to the extent they exceed a de minimis amount set by the Board of Trustees.

Distributions are made on a per share basis regardless of how long you have owned your shares. The Distribution will be taxable to you even if it is paid from income or gains earned by the Fund before you invest (and thus was included in the price you paid).

Shareholder Information

Selling Your Shares

You may sell your shares at any time. Your sales price will be the next NAV after your sell order is received by the Fund, its transfer agent, or your investment representative. Normally you will receive your proceeds within a week after your request is received. For more information, see “General Policies on Selling Shares” on page 17.

Withdrawing Money from Your Fund Investment

As a mutual fund shareholder, you are technically selling shares when you request a withdrawal in cash. This is also known as redeeming shares or a redemption of shares.

Instructions for Selling Shares

If selling your shares through your financial adviser or broker, you should inquire about redemption procedures. Your adviser and/or broker may have transaction minimums and/or transaction times which will affect your redemption. For all other sales transactions, follow the instructions below.

By Telephone (unless you have declined telephone sales privileges)

1. Call 1-800-228-1872 with instructions as to how you wish to receive your funds (mail, wire, electronic transfer). (See “General Policies on Selling Shares – Verifying Telephone Redemptions” on page 17).

By Mail

1. Call 1-800-228-1872 to request redemption forms or write a letter of instruction indicating:
 - your Fund and account number
 - amount you wish to redeem
 - address where your check should be sent
 - account owner signature
2. Mail to: BB&T Funds, P.O. Box 9762, Providence, RI 02940-9762.

By Overnight Service (See “General Policies on Selling Shares — Redemptions in Writing Required” on page 17)

1. See instruction 1 above for selling your shares by mail.
2. Mail to: BB&T Funds, c/o PNC Global Investment Servicing, 101 Sabin Street, Pawtucket, RI 02860.

Wire transfer

You must indicate this option on your application.

The Fund may charge a \$7 wire transfer fee for each wire transfer request. As of the date of this prospectus, BB&T Funds has waived the \$7 wire transfer fee. This waiver is voluntary and may be discontinued at any time. *Note: Your financial institution may also charge a separate fee.*

Call 1-800-228-1872 to request a wire transfer.

If you call by 4 p.m. Eastern time, your payment will normally be wired to your bank on the next business day.

Electronic Redemptions

Your bank must participate in the Automated Clearing House and must be a U.S. bank.

Your bank may charge for this service.

Call 1-800-228-1872 to request an electronic redemption.

If you call by 4 p.m. Eastern time, the NAV of your shares will normally be determined on the same day and the proceeds credited within 7 days.

Shareholder Information

General Policies on Selling Shares

Redemptions In Writing Required

You must request redemption in writing if:

- You are requesting redemption from an Individual Retirement Account (“IRA”).

You must request redemption in writing and obtain a Medallion Signature Guarantee if:

- Your account registration or the name(s) on your account has changed within the last 10 business days; or
- The check is not being mailed to the address on your account; or
- The check is not being made payable to the owner(s) of the account; or
- Your account address has changed within the last ten business days; or
- The redemption proceeds are being transferred to another Fund account with different registration; or
- The redemption proceeds are being wired to bank instructions currently not on your account.

A Medallion Signature Guarantee can be obtained from a financial institution, such as a bank, broker-dealer, or credit union, or from members of the STAMP (Securities Transfer Agents Medallion Program), MSP (New York Stock Exchange Medallion Signature Program) or SEMP (Stock Exchanges Medallion Program). Members are subject to dollar limitations which must be considered when requesting their Medallion Signature Guarantee. The transfer agent may reject any Medallion Signature Guarantee if it believes the transaction would otherwise be improper.

Verifying Telephone Redemptions

The Fund makes every effort to ensure that telephone redemptions are made only by authorized shareholders. All telephone calls are recorded for your protection and you will be asked for information to verify your identity. Given these precautions, unless you have specifically indicated on your application that you do not want the telephone redemption feature, you may be responsible for any fraudulent telephone orders. If appropriate precautions have not been taken, the transfer agent may be liable for losses due to unauthorized transactions. Telephone transaction privileges, including purchases, redemptions and exchanges by telephone instructions or facsimile instructions, may be revoked at the discretion of the Fund without advance notice to shareholders. In such cases, and at times of peak activity when it may be difficult to place requests by phone, transaction requests may be made by regular mail.

Redemptions Within 15 Business Days of Investment

When you have made an investment by check, the proceeds of your redemption may be held up to 15 business days until the transfer agent is satisfied that the check has cleared. You can avoid this delay by purchasing shares with a certified check or federal funds wire.

Postponement of Redemption Request

Payment for shares may be delayed under extraordinary circumstances or as permitted by the SEC in order to protect remaining shareholders. If you experience difficulty making a telephone redemption during periods of drastic economic or market change, you can send the Fund your redemption request by standard or express mail.

Redemption in Kind

The Fund reserves the right to make payment in securities rather than cash, known as “redemption in kind.” This could occur under extraordinary circumstances, such as a very large redemption that could affect Fund operations (for example, more than 1% of the Fund’s net assets). If payment is made in securities, the Fund will value the securities selected in the same manner in which it calculates its NAV. When you convert these securities to cash, you will pay brokerage charges.

Shareholder Information

General Policies on Selling Shares

continued

Undeliverable Distribution Checks

For any shareholder who chooses to receive distributions in cash:

If distribution checks (1) are returned and marked as “undeliverable” or (2) remain uncashed for six months, your account will be changed automatically so that all future distributions are reinvested in your account. Checks that remain uncashed for six months will be canceled and the money will be reinvested in the Fund at the current NAV.

Distribution Arrangements/Sales Charges

Distribution and Shareholder Servicing Arrangements — Revenue Sharing

The Adviser and/or its affiliates may pay out of their own assets compensation to broker-dealers and other persons for the sale and distribution of the shares and/or for the servicing of the shares. These additional cash incentives, sometimes referred to as “revenue sharing arrangements” are payments over and above the sales charges (including Rule 12b-1 fees) and service fees paid by the Fund, which are disclosed elsewhere in this Prospectus. These additional cash payments made by the Adviser may be made to supplement commissions reallocated to dealers, and may take the form of (1) due diligence payments for a broker-dealer’s examination of the Fund and payments for employee training and education relating to the Fund; (2) listing fees for the placement of the Fund on a broker-dealer’s list of mutual funds available for purchase by its clients; (3) marketing support fees for providing assistance in promoting the sale of shares; (4) payments in connection with attendance at sales meetings for the promotion of the sale of shares; and (5) payments for the sale of shares and/or the maintenance of share balances. These payments, which may be different for different financial institutions, will not change the price an investor will pay for shares or the amount that the Fund will receive for the sale of shares.

Networking and Sub-Transfer Agency Fees

The Fund may also directly enter into agreements with financial intermediaries pursuant to which the Fund will pay the financial intermediary for services such as networking or sub-transfer agency. Payments made pursuant to such agreements are generally based on either (1) a percentage of the average daily net assets of clients serviced by such financial intermediary up to a set maximum dollar amount per shareholder account serviced, or (2) the number of accounts serviced by such financial intermediary. Payments made pursuant to such agreements may include fees in addition to, rather than in lieu of, Rule 12b-1 fees the financial intermediary may also be receiving pursuant to agreements with the Distributor.

Shareholder Information

Exchanging Your Shares

You can exchange your shares in the Fund for shares of the same class of another BB&T Fund, usually without paying additional sales charges (see “Notes on Exchanges” on page 19). You must meet the minimum investment requirements for the Fund into which you are exchanging. Exchanges from one BB&T Fund to another are taxable. Institutional Shares may be exchanged for Class A Shares of the same Fund if you cease to be eligible to purchase Institutional Shares. Institutional Shares of each Fund may not be exchanged for Class B or Class C Shares. No transaction fees are currently charged for exchanges. However, the exchange of Institutional Shares for Class A Shares will require payment of the sales charge applicable to Class A Shares unless the sales charge is waived.

Instructions for Exchanging Shares

Exchanges may be made by sending a written request to BB&T Funds, P.O. Box 9762, Providence, RI 02940-9762, or by calling 1-800-228-1872. Please provide the following information:

- Your name and telephone number,
- The exact name on your account and account number,
- Taxpayer identification number (usually your Social Security number),
- Dollar value or number of shares to be exchanged,
- The name of the Fund from which the exchange is to be made, and
- The name of the Fund into which the exchange is being made.

See “Selling Your Shares” on pages 16-17 for important information about telephone transactions.

Notes on Exchanges

- When exchanging from a BB&T Fund that has no sales charge or a lower sales charge to a BB&T Fund with a higher sales charge, you will pay the difference.
- The registration and tax identification numbers of the two accounts must be identical.
- The exchange privilege (including systematic exchanges) may be changed or eliminated at any time upon 60 days’ notice to shareholders.
- Be sure to read carefully the Prospectus of any Fund into which you wish to exchange shares.

Market Timing Policies

Excessive short-term trading or other abusive trading practices may disrupt portfolio management strategies and hurt Fund performance. Such practices may dilute the value of Fund shares, interfere with the efficient management of a Fund's investments, and increase brokerage and administrative costs. To prevent disruption in the management of the Fund due to market timing strategies, we have adopted certain policies and procedures. We reserve the right to close any account or limit exchange activity for any account in which we have identified a pattern of excessive or abusive trading. We cannot guarantee that we will detect every market timer due to the limitations inherent in our technological systems; as a result, some shareholders may be able to market time while others bear the effect of market timing activity. For example, certain accounts, which are known as omnibus accounts, include multiple investors and such accounts typically provide the Fund with a net purchase or redemption order on any given day where purchasers of Fund shares and redeemers of Fund shares are netted against one another and the identity of individual purchasers and redeemers are not known by the Fund. While the Fund seeks to monitor for market timing activities in the omnibus accounts and may restrict purchases or exchanges of Fund shares held in such omnibus accounts pursuant to Rule 22c-2 shareholder information agreements between the Fund and the financial intermediaries holding such omnibus accounts, the netting effect limits the Fund's ability to locate and eliminate individual market timers. In addition to the Fund's frequent trading policies, the Fund may permit financial intermediaries to utilize their own policies and procedures to identify market timers holding Fund shares through omnibus accounts. These policies and procedures may be different than those utilized by the Fund.

We will apply our policies and procedures consistently to all Fund shareholders, except with respect to trades that occur through omnibus accounts at financial intermediaries as described above. We reserve the right to modify our policies and procedures at any time without prior notice as we deem in our sole discretion to be in the best interests of Fund shareholders, or to comply with state or federal legal requirements.

Dividends, Distributions and Taxes

Please consult your tax adviser regarding your specific questions about federal, state, local, foreign or other taxes applicable to you. Below we have summarized some important U.S. federal tax issues that affect the Fund and its shareholders. Your investment in the Fund may have other tax implications. This summary is based on current tax laws, which may change.

The Fund intends to elect to be treated and to qualify each year as a regulated investment company. A regulated investment company is not subject to tax at the corporate level on income and gains from investments that are distributed in a timely manner to shareholders. However, the Fund's failure to qualify as a regulated investment company would result in corporate level taxation, and consequently, a reduction in income available for distribution to shareholders.

Distributions. Generally, for federal income tax purposes, Fund distributions of investment income are taxable as ordinary income. Taxes on distributions of capital gains are determined by how long the Master Portfolio owned the investments that generated them, rather than how long you have owned your shares. Distributions of net capital gain (that is, the excess of net long-term capital gains from the sale of investments owned by the Master Portfolio for more than one year over net short-term capital losses) that is allocable to the Fund will be taxable as long-term capital gains if those distributions are properly designated by the Fund as capital gain dividends. Distributions of gains allocable to the Fund from the sale of investments that the Master Portfolio owned for one year or less will generally be taxable as ordinary income. For taxable years beginning before January 1, 2011, distributions of investment income designated by the Fund as derived from "qualified dividend income" will be taxed at the rates applicable to long-term capital gains, provided holding period and other requirements are met at each of the shareholder, Fund and Master Portfolio levels. Long-term capital gains rates applicable to individuals have been reduced, in general to 15%, with lower rates applicable to taxpayers in the 10% and 15% rate brackets, for taxable years beginning before January 1, 2011.

Distributions are taxable whether you receive them in cash or reinvest them in additional shares. Distributions are also taxable to you even if they are paid from income or gains earned by the Fund before your investment (and thus were included in the price you paid for your shares). Distributions of investment income and capital gains may be subject to state and local taxes as well.

Shareholder Information

BB&T Funds will send you a statement each year showing the tax status of all your distributions. Distributions may vary considerably from year to year.

Special Considerations for Non-U.S. Shareholders. In general, dividends other than capital gain dividends paid to a shareholder that is not a “United States person” within the meaning of the Code are subject to withholding of U.S. federal income tax at a rate of 30% (or lower applicable treaty rate). However, effective for taxable years of the Fund beginning before January 1, 2010, the Fund is generally not required to withhold any amounts with respect to distributions of (i) U.S.-source interest income that in general would not be subject to U.S. federal income tax if earned directly by an individual foreign person, and (ii) net short-term capital gains in excess of net long-term capital losses, in each case to the extent such distributions are properly designated by the Fund. The Fund generally intends to make such designations, but may opt not to do so.

Non-U.S. investors also may be subject to U.S. estate tax.

Sales, Exchanges and Redemptions of Shares. A sale, exchange or redemption of your Fund shares is a taxable event. Any gain resulting from a sale, exchange or redemption of your Fund shares will generally be subject to tax as capital gains. Any loss from the sale, exchange or redemption of your Fund shares will generally be treated as a capital loss.

General. Generally, the Fund’s Adviser does not consider taxes when deciding to buy or sell securities.

The tax information in this Prospectus is provided as general information and will not apply to you if you are investing through a tax-deferred account such as an IRA or a qualified employee benefit plan. Shareholders are urged to consult with their tax advisers to determine the tax considerations that are relevant in their own particular circumstances, including possible state, local, and foreign taxes.

More information about taxes is in the Fund’s SAI.

Additional Information About the Fund

Fair Value Pricing Policies

The Fund will fair value price its securities when market quotations are not readily available or if available market quotations are determined not to be reliable. Generally, this would include securities for which trading has been halted, securities whose value has been materially affected by the occurrence of a significant event (as defined below), securities whose price has become stale (*i.e.*, the market price has remained unchanged for five business days), and other securities where a market price is not available from either a national pricing service or a broker. In these situations, the Pricing Committee will employ certain Board-approved methodologies to determine a fair value for the securities. Fair valuations will be reviewed by the Board of Trustees on a quarterly basis. Fair value pricing may result in a different determination of a Fund’s NAV price than other valuation methods.

A “significant event” is one that occurred prior to the Fund’s valuation time, is not reflected in the most recent market price of a security, and materially affects the value of a security. Generally, such “significant events” relate to developments in foreign securities that occur after the close of trading in their respective markets. The Fund’s accounting agent may obtain fair value prices of foreign securities through utilization of a Fair Value Pricing Service previously approved by the Board where a movement in the U.S. equities market is sufficiently large to constitute a trigger established by the Pricing Committee. For information regarding the Master Portfolio’s fair value pricing policies, see the SAI.

Disclosure of Portfolio Holdings

Information regarding both the Fund and the Master Portfolio’s policies and procedures regarding the disclosure of portfolio holdings is contained in the Fund’s SAI.

Householding

In order to reduce shareholder expenses, we may, unless you instruct otherwise, mail only one copy of a Fund’s prospectus and each annual and semi-annual report to those addresses shared by two or more accounts. If you do not wish to receive individual copies of these documents, please call 1-800-228-1872, or if your shares are held through a financial institution, please contact them directly. We will begin sending your individual copies with the next scheduled mailing.

**Financial Highlights**

The financial highlights table is intended to help you understand the Fund's financial performance for the period of the Fund's operations. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information has been audited by KPMG LLP, independent registered public accounting firm of the Fund, whose report, along with the Fund's financial statements, is incorporated by reference in the SAI, which is available upon request.

	For the Year Ended December 31, 2008	For the Period May 1, 2007 to December 31, 2007(a)
INSTITUTIONAL CLASS SHARES		
Net Asset Value, Beginning of Period	\$ 9.81	\$ 9.95
Investment Activities:		
Net investment income(b)	0.17(c)	0.12(c)
Net realized and unrealized gains from investments(b)	(3.79)	(0.13)
Total from Investment Activities	(3.62)	(0.01)
Distributions:		
Net investment income	(0.17)	(0.13)
Return of capital	(0.00)(d)	—
Total Distributions	(0.17)	(0.13)
Net Asset Value — End of Period	\$ 6.02	\$ 9.81
Total Return(e)	(37.24)%	(0.11)%
Ratios/Supplementary Data:		
Net Assets, End of Period (000's)	\$47,259	\$73,382
Ratio of net expenses to average net assets(b)(f)	0.30%	0.41%
Ratio of net investment income to average net assets(b)(f)	2.08%	1.79%
Ratio of expenses to average net assets* (b)(f)	0.30%	0.41%
Portfolio turnover rate(e)(g)	8%	7%

- * During the period certain fees were reduced. If such fee reductions had not occurred, the ratios would have been as indicated.
- (a) Period from commencement of operations. The Class I shares of the Equity Index Fund commenced operations on May 1, 2007
- (b) The per share amounts and percentages reflect income and expenses assuming inclusion of the Fund's proportionate share of the income and expenses of the S&P 500 Index Master Portfolio.
- (c) Per share net investment income has been calculated using the daily average shares method.
- (d) Less than (0.01) per share.
- (e) Not annualized for periods less than one year.
- (f) Annualized for periods less than one year.
- (g) This rate represents the portfolio turnover rate of the S&P 500 Index Master Portfolio.

For more information about the Fund, the following documents are available free, upon request:

Annual/Semi-Annual Reports (Reports):

The Fund's annual and semi-annual reports to shareholders contain additional information on the Fund's investments. In the annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

Statement of Additional Information (SAI):

The SAI provides more detailed information about the Fund, including its operations and investment policies. It is incorporated by reference and is legally considered a part of this Prospectus.

You can get free copies of annual and semi-annual reports and the SAI, Prospectuses of other members of the BB&T Funds Family, or request other information and discuss your questions about the Fund by contacting a broker or bank that sells the Fund. Or contact the Fund at:

BB&T Funds
P.O. Box 9762
Providence, RI 02940-9762
Telephone: 1-800-228-1872
Internet: <http://www.bbtffunds.com>*

* The Fund's Website is not part of this Prospectus.

You can review the Fund's annual and semi-annual reports and SAIs at the Public Reference Room of the SEC (for information call 1-202-551-8090). You can get text-only copies:

- For a fee, by writing the Public Reference Section of the SEC, Washington, D.C. 20549-6009, or by electronic request: publicinfo@sec.gov.
- Free from the SEC's Website at <http://www.sec.gov>.

Investment Company Act file no. 811-06719.